Alternative Development Program in Colombia

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT FACT SHEET

WASHINGTON, DC 20523 PRESS OFFICE http://www.usaid.gov (202) 712-4320

2002-016

FOR IMMEDIATE RELEASE April 8, 2002

Contact: USAID Press Office

Background. The USAID program in Colombia is focused on strengthening democracy and human rights, assisting persons displaced by conflict, and reducing coca and poppy production. The USAID Alternative Development Program to support coca reduction began in May 2001and is a long-term effort. It is now less than a year old. The program is part of a broader U.S. initiative to eliminate the narcotics industry, including eradication and interdiction efforts carried out by other U.S. government agencies in coordination with the government of Colombia.

Implementation Status. USAID has designed a multi-year program to assist individual communities voluntarily giving up the production of coca and poppy and returning to legal economic activities. The process of creating an alternative economy requires many ingredients, including strengthened government presence, new employment opportunities and social change. USAID-supported activities include small-scale infrastructure projects implemented by participating communities, such as building feeder roads and repairing schools, sewage and irrigation systems. Larger, longer-term projects have also begun, such as organizing an association of heart-of-palm producers and linking it to supermarkets in Bogota, and investing in rubber production and wood products for sustainable exploitation of the forests. In the start-up phase of the Alternative Development program, USAID expended \$8.1 million by December 2001, and expects to invest an additional \$32 million by the end of Fiscal Year 2002. The security situation remains the largest obstacle to successful and timely implementation of the program.

Progress in 2001. USAID provided in-kind assistance, such as seeds, livestock and farm implements, to 2,377 families. Larger scale projects are developing 642 acres of palm hearts, 6,175 acres of rubber and 6,545 acres of agro-forestry products. Six village-level infrastructure projects were completed and an additional 56 initiated. All together, communities involved in USAID-financed efforts have agreed to eradicate 34,580 acres of coca. USAID supported 21 voluntary poppy eradication agreements incorporating 1,960 farm families with 1,714 acres of poppy voluntarily eradicated. USAID's other programs are providing increased human rights monitoring and greater access to justice for thousands of low income and disadvantaged Colombians.

Development Challenge. Given the soil and climatic conditions in southern Colombia as well as distance to regional markets, USAID recognized the introduction of alternative legal crops would

need to be only one of several approaches for this region. In addition, the presence of civilian governmental institutions is critical to achieving sustained results. The most effective approach will vary from village to village, depending on geographic conditions and infrastructure to support marketing and transport of legal crops and other products. Helping communities reduce their dependency on illicit income is a long-term, multi-year process.

Adjustments to the Program. USAID is committed to the successful implementation of its programs. An internal program review recently led to several program adjustments to better encourage communities to participate in drug control efforts while reducing implementation risks from current security conditions. These include:

- Greater community focus: Working more closely with individual communities to tailor the Alternative Development Program to help these communities with the needs they identify. Many villages are willing to abstain from coca production in return for access to potable water or a road to link them to a neighboring market.
- Short term employment creation: Funding larger infrastructure projects, which improve the economic potential of isolated regions such as Putumayo, as well as provide employment and income to rural residents making the transition from coca to legal crops and employment.
- Expanding geographic focus: Extending the Alternative Development Program to areas beyond southern Colombia, where security, economic, or climactic conditions may be more favorable for alternative income generation.

Alternative Development Successes

USAID has implemented successful Alternative Development programs in Bolivia and Peru. These took, respectively, ten and six years to have a large-scale impact. In Bolivia the area of legal crops has increased from 98,800 acres to 296,400 acres. More that 17,000 families receive technical assistance and their annual income averages \$2,055 as opposed to \$852 for coca growers (down from \$2,700 in 1999 thanks to effective drug interdiction efforts). In Peru, coca cultivation has dropped by 70% and the 17,000 families in the Alternative Development program grow crops such as coffee, cacao, palm hearts, pineapple and mango on 79,040 acres. In Northern Ecuador, where USAID initiated an aggressive community infrastructure program to prevent the cross border spread of coca cultivation, virtually no coca is cultivated -thanks to effective intervention by the Government of Ecuador, with support from USAID.

What we have learned from these experiences is that it is governance, rather than income or poverty, that will determine whether or not coca will be grown. Local communities working together with an effective and accountable government can successfully reject involvement in the coca industry and develop a strong, legal economy.